

November 13, 2017

Subject: Management Discussion and Analysis Quarter 3 ended September 30, 2017

To: President,
The Stock Exchange of Thailand

Synnex (Thailand) Public Company Limited and its subsidiaries is delighted to present the operating results for the quarter 3, ended 30 September 2017 which being reviewed by authorized auditor, as seen in the table below.

Description	Q3/2017		Q3/2016		Q2/2017		Compared	
	MB	%	MB	%	MB	%	YoY %	QoQ %
Income from operations	8,067.35	100.00	6,151.51	100.00	8,249.92	100.00	31.14	(2.21)
Operating cost	7,697.95	95.42	5,872.95	95.47	7,904.38	95.81	31.07	(2.61)
Gross profit	369.40	4.58	278.56	4.53	345.54	4.19	32.61	6.90
Selling and Administrative expenses	207.80	2.58	172.54	2.80	177.40	2.15	20.44	17.14
Net profit	160.12	1.98	108.58	1.77	151.05	1.83	47.46	6.00
Basic earnings per share (THB)	0.21		0.14		0.20		48.98	5.00

In Q3/17 compared to the same period last year, incomes have shown significant growth 31.14% or close to THB 2,000 million contributed by all product categories in the portfolio and all business units primarily due to new products, expansion of coverage sale across channels and geography and new vendors. Furthermore, continued concentration on sale promotion from vendors resulting in a favor sale boost from customers. Operating cost likewise went up by 31.07% in correlation to volume of sales offset with favorable impacts from discount. As a result, gross profit amounted THB 90.84 million and increased considerably by 32.61% Despite selling and administrative expense rose 20% a main drive was marketing activities to educate customers on insight products information but net profit improved further by 47.46% that more richly valued to financial position as whole.

Description	Q3/2017		Q3/2016		Q2/2017		Compared	
	MB	%	MB	%	MB	%	YoY %	QoQ %
Income from operations	24,488.65	100.00	16,644.45	100.00	16,421.30	100.00	47.13	49.13
Operating cost	23,421.36	95.64	15,847.10	95.21	15,723.41	95.75	47.80	48.96
Gross profit	1,067.29	4.36	797.35	4.79	697.89	4.25	33.85	52.93
Selling and Administrative expenses	594.55	2.43	515.68	3.10	386.74	2.36	15.29	53.73
Net profit	459.78	1.88	288.73	1.73	411.95	2.51	59.24	11.61
Basic earnings per share (THB)	0.60		0.37		0.39		60.08	53.85

For the nine-month periods ended 30 September 2017 in comparison with the same period last year, revenues were outperform against industry climbing from THB 16,644.45 million to THB 24,488.65 million which was aggressively growth amounted THB 7,844.20 million or 47.13% and the main drivers accounted for a wider ranges of products from global leading brands and reliable service under the company brand. Operating cost had unfavorable of purchased according to volume of sales offset with improvement on promotions and discounts leaving a rise on gross profit roughly THB 270 million along with tight control of selling and administrative expenses to grow slower in contrast with other element, therefore, bottom line sustained healthy profitable of THB 171 million which represented growth 59.24%.

Please be informed accordingly.

Yours faithfully,

(Sutida Mongkolsuthree)
Chief Executive Officer